

MINUTES OF THE READING HOUSING AUTHORITY

The Regular Meeting of the Reading Housing Authority for the month of March was held at William W. Willis Center for Administration, 400 Hancock Boulevard, Reading, Pennsylvania on Tuesday, March 26, 2013.

Members of the staff attending were as follows: Mr. Daniel F. Luckey, Executive Director; Mr. Ronald J. Fioravanti, Deputy Executive Director; Mr. David C. Talarico, Maintenance Superintendent; Mrs. Audrey L. Wenrich, Administrative Assistant; Ms. Sherryann I. Fonseca, Comptroller; Mr. George F. Eisenhauer, Purchasing Agent; Ms. Gloria J. Guard, Property Manager; Mr. Josh K. Smith, Property Manager; Mrs. Leonilda Feliciano, Resident Selection Supervisor; Mr. Charles K. Huckstep, Administrative Assistant; Mrs. Carolyn K. Bower, Section 8 Coordinator; Mr. John E. Knockstead, County Caseworker 2; Ms. Theresa A. Reustle, Accountant 2; Ms. Janice M. Eickhoff, Clerk Typist 3 and Attorney John Roland, Solicitor for the Authority were present. Reading Police Chief Bill Heim and Jeff Palmer, President & CEO of the Olivet Boys and Girls Club were also present.

Mr. Belinski, Chairman, called the regular meeting to order and upon roll call those present and absent was as follows:

Present: Mr. Steven E. Belinski
Mrs. Rebecca Acosta
Mr. Eligio C. Colon, Jr.

Absent: Mrs. Lillie L. Mathies
Mr. Nelson A. DeLeon

The Chairman announced that no one had signed the register to speak at the Board Meeting.

A motion was made by Mrs. Acosta and second by Mr. Colon approving the minutes of the regular monthly meeting and annual meeting held February 26, 2013. The motion was carried unanimously.

A motion was made by Mrs. Acosta and second by Mr. Colon approving the bills as submitted by Ms. Fonseca for the period of February 1, 2013 to February 28, 2013. The motion was carried unanimously.

The following balances in bank and on account were reported for the month of February 2013.

Fund	Cash or Checking	Investments	Escrow	Total
W-66 General	\$4,808,097.03	\$3,540,941.69	\$310,117.80	\$ 8,659,156.52
P-4628 General	184,701.19	99,000.00	0.00	283,701.19
P-15 General	260,737.56	1,284,232.41	77,280.72	1,622,250.69
Payroll	0.00	184,940.99	(184,940.99)	0.00
River Oak Apts.	37,053.54	0.00	42,825.95	79,879.49
Total	\$5,290,589.32	\$5,109,115.09	\$245,283.48	\$10,644,987.89

A motion was made by Mrs. Acosta and second by Mr. Colon that the Treasurer's Report be accepted and filed. The motion was carried unanimously.

The Executive Director submitted the following report:

COMPREHENSIVE GRANT PROJECTS

221- 2012 CAPITAL FUND – The work on the buildings at Glenside is complete. Finally, all of the buildings are finished and looking very nice. They will stay that way for a long time. Overall, this Capital Fund monies allocation is mostly spent except for a small amount. The remaining monies will be rolled over into another capital project and then closed out.

I hope the Board is pleased with the look at Glenside. It has been a long project getting all of the building redone and they are looking very good.

222–2013 CAPITAL FUND – This is in the Agency Plan and is now at HUD for review and approval. Preliminary indications from HUD show it should be approved soon. Then we await the amount of the Capital Fund from them and then we must revise the budget to reflect the actual Capital Fund amount.

Given the tight fiscal climate we do not expect as high amount as we have received in the past. This will more than likely reduce the number of work items we will be able to do over the coming year. In any case, we will await the actual number.

OLIVET BOYS AND GIRL CLUB- Jeff Palmer, President and CEO of the Olivet Boys and Girls Club will be attending the Workshop to give the Board a run down on the various Boys and Girls Club programs they will be managing on or near the RHA developments.

PARK PLACE ON PENN STREET PROJECT- We are still waiting for the economic climate and consumer interest to increase so we can sell these units. Unfortunately, the economic climate has not changed enough whereby people are beginning to purchase homes again, at least at the same pace as before this all started. In addition, the condo market is also still an issue and one we will have to deal with.

So while this is a bother, we are not paying out much in the way of monies for this project as everything has been paid to date. We do have hopes when the hotel construction begins to see more interest in the condos, so we hope to get this moving along in the near future.

I should also mention we are revising the condo documents to reflect the status of the project as the existing documents still mention the original contractor. These should be done soon.

RIVER OAK APARTMENTS – The occupancy rate at River Oak is good. There are about 14 people on the waiting list for a unit so we should be able to rent the unassigned units when they have been readied for occupancy.

We hope to complete some kitchens this year as we have about 12 or so remaining to be completed and would like to get them all done before the end of next year or sooner.

While we would like to replace the windows, we are finding the replacement of the carpets is becoming a big issue and one we will be looking at very closely in the coming year as funding becomes available. I have addressed this in the Youth Build section.

CITY OF READING POLICE PATROLS – The Police are working very hard to ensure our developments are well taken care of and hope you agree. Overall things are going well and as a result our developments are among the safest areas in the City. Chief Heim will be attending the Workshop meeting this month.

NSP/ARTIST HOUSING – There has been no change in the status of this program as yet, though, there has been discussion that some of the housing for the NSP program can be used for artist housing in some way. This will be an ongoing program.

When selecting “artists” for the rental housing in the NSP program near the Goggleworks, RHA received criteria for selecting potential artists, which was used in Peekskill, NY. Please note the tenants for this program who are moving into these units will be at 50% of median income. From what we have heard, most if not all artists, fall into this income category. So it should not be difficult to fill these units.

SYLVANIA HOMES ANNUALIZED OCCUPANCY RATE %

2007	2008				2009				2010				2011				2012			
Sept Dec Mar June	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar June	Sept Dec			
95.1 94.0 93.8 94.9	96.2 97.8	97.8 96.9 97	96.6 96.6 96.9 97.3	97.2 97.0	97.1 97.5 97.7 97.7	96.6 96.2 95.6														

Sylvania is 97% leased up and is doing well in this area.

SECTION 8 ANNUALIZED UTILIZATION (%) RATE

2007	2008				2009				2010				2011				2012			
Jun Sept Dec Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar June	Sept Dec			
99.2 97.9 96	95.7 94.2 94.4	96.2 98.1 98.2	99.5 97.9 95.8 94.5	93.2 92.1 90.3 90.0	88.3 88.2 89.2 90.6	91.2 90.8														

The leasing rate for the last quarter is 90.8, however RHA has spent 95% of the funding for the Section 8 program and is an additional evaluation HUD has of the Section 8 program. Current HUD funding practice does not and will not allow 100% utilization of the vouchers and funding.

PUBLIC HOUSING ANNUALIZED OCCUPANCY RATE (%)

2007	2008				2009				2010				2011				2012			
Sept Dec Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar June	Sept Dec			
98.2 98.3 98.4 98.4	98.4 98.5 98.6 98.7	98.8 98.8 98.8 98.9	98.8 98.8 98.7 98.5	98.6 98.8 98.8 98.7	98.4 98.7															

The annualized vacancy rate for the last quarter shows a good leasing rate and translates into vacancy rate of 1.3% for RHA. This continues to be a decent occupancy rate. We continue to monitor our progress in this area and work towards improving the leasing rate, while everyone strives to attain 100% leasing rate, it is difficult to attain.

ACCOUNTS RECEIVABLE (ANNUALIZED QUARTERLY) – PUBLIC HOUSING

2007	2008				2009				2010				2011				2012			
Jun Sept Dec Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar Jun	Sept Dec	Mar June	Sept Dec			
1.8 2.5 2.5 1.8 1.7	1.9 2.3 2.10 2.3 2.5	3 3 2.90 2.80 3 2.6	3.2 3.5 3.1 2.6 3.4	2.7 3.4																

Staff is working hard to reduce these amounts in hopes to get them to a more reasonable level.

NEIGHBORHOOD STABILIZATION PROGRAM (NSP) – The City of Reading is the lead agency and RHA and Our City Reading Inc., (OCR) are partners in this project. Currently, 201 North 3rd Street, 331 Elm Street and another unit at 460 Centre Avenue are in the mix for units owned by RHA for the NSP program. We have filled all of the three units at 460 Centre Avenue with tenants at or below 50% of median income. They have started rehabilitating 201 N. 3rd.

RENTAL ASSISTANCE DEMONSTRATION (RAD) – Out of the 60,000 units HUD was interested in having participate in this program, only 11,000 units were submitted and approved nationwide. This represents just 18% of the number of units HUD wanted in the program. It fell far short and perhaps it is related to the flaws in the program funding.

There are some attractive issues for participating in this program; the major one supposedly is not being under the public housing regulations. The most unattractive issue is the lack of or uncertainty of funding and other related issues. We have not and do not plan to apply at this time. We will monitor how this program works for some agencies over the long run.

I will keep you posted on any new developments in this program.

Vacant Unit Report for the Current Month

	Units Scheduled <u>To Be Leased</u>	Unit Accepted By <u>Eligible Applicant</u>	Unit Scheduled <u>Transfer</u>	Unassigned <u>Units</u>	Total Vacant <u>Units</u>
Glenside	3	1	0	0	4
Hensler	0	0	2	0	2
Oakbrook	0	1	1	1	3
Franklin	1	0	0	0	1
Kennedy	1	2	1	1	5
Rhodes	0	1	0	0	1
Eisenhower	0	1	1	0	2
Hubert	0	0	0	0	0
Total Conventional					
Public Housing	5	5	6	2	18
Scattered Sites	0	0	0	2	2
Sylvania Homes	2	1	0	1	3
River Oak	0	0	0	3	3
NSP Units	0	0	0	0	0
Total	7	6	6	7	26

Our current occupancy rate is high at 98.9%r Public Housing and is a very good occupancy overall. The leasing rate for all of our units we own (a total of 1810) comes to 98.6%. Of the 26 vacant units, 7 are scheduled to be leased, 6 have been accepted by applicants, 6 are transfers and 7 remaining units are unassigned.

Please note the transfer units are units, which in most cases the occupants are either over-housed or under-housed and need to be moved to a more appropriate size unit. In some cases, there may be other factors whereby a unit transfer is appropriate and done on a case-by-case basis. But also means, we are creating another vacant unit and will now have to rehabilitate the unit and fill it. As I mentioned before, these unit transfers are required to ensure people are in the correct size units and are not over or under housed.

DEVELOPMENT WAITING LIST STATUS

<u>Bedroom Size</u>	<u>P/H</u>	<u>Contacting</u>	<u>Waiting Period</u>	<u>Sylvania</u>	<u>River Oak</u>
Studio	254	10/12	12-24 months	N/A	N/A
One Bedroom-Family/Elderly	308	05/12	12-24 months	12	N/A
Two Bedroom Family	324	05/11	12-24 months	15	6
Three Bedroom Family	250	07/08	36-42 months	8	8
Four Bedroom Family	28	05/11	12-24 months	6	N/A
Five Bedroom Family	22	07/11	11-24 months	N/A	N/A
Total	1186			41	14

RHA PAINTING PROGRAM FOR OCCUPIED UNITS – We continue the painting program and hope funding cuts do not affect our efforts. We want to make sure each and every unit was and is painted at least once every ten years. To date, this program is going well.

ENERGY SAVINGS PROGRAM WITH HONEYWELL – This project is nearing completion and are generally pleased with the progress they are making on this project. There have been some issues which we are working with Honeywell on resolving.

At this time we are still working on resolving the issues with the cameras which while they are up and running, Honeywell has not completed them to our satisfaction. Therefore, we are monitoring the remaining installation to make sure we have everything we were promised.

RHA CENTRAL OFFICE FUNDS – I have had discussions with various people regarding these funds as it will be important in the coming years to invest these funds in programs and projects which will benefit not only the Agency, but the City as well. I should note these funds are “de-federalized” and hence HUD is supposedly not able to regulate how and what a Housing Authority can do or use this money for. I also plan to research this to see if other agencies will be looking at measures to use these funds.

Technically, these funds are as I noted “de-federalized”, but as we have found out HUD seems to ignore this and it would be best if we use these funds for a project in the City that will possibly make money and benefit the City at the same time. In any case, it is my belief that if we do not do something of this nature, HUD will find a way to encourage a Housing Authority to use these funds for operations just as they have with our reserves.

It is the Board’s decision, but I highly recommend RHA do something whereby these funds are involved in or a part of a project that will benefit the City in its renaissance. I do not wish to lose these funds like we did with the reserves, which we had accumulated over a period of time, as we now have a reserve of central office funds.

To date, there has been no change in this.

YOUTHBUILD – This program is moving along slowly as they are in the midst of training the participants before they actually begin working on the construction projects. There has been a bit of a change in the work the Youth Build participants will do in that we will be having them install ceramic tile in the bathrooms at Oakbrook as the current flooring (which is sheet vinyl) is shrinking and this will provide longer lasting flooring.

NAHRO AWARDS FOR 2013 – RHA has submitted new award submissions to NAHRO for 2013 as we feel we have done projects which are unique and beneficial to our residents and worth submitting. Awards submitted were for the Cogeneration plant and new camera system.

We hope we are successful in our submissions for this year.

ISLANDS IN FRONT OF OAKBROOK – The islands outside of our offices and Oakbrook Homes are now cut and maintained by the City of Reading and there are times these have issues. Given this, we have had discussion with Mr. Charles Jones, Director of Public Works, regarding possibly taking over (with the agreement of the City and of course the Board) the maintenance of these properties and perhaps in the long run, the City could provide us with ownership of these properties as they are somewhat of a gateway to Oakbrook. By taking over maintenance and/or ownership, we will ensure they are managed and maintained as well as our developments and will give us some control. Currently Masano and Berks Catholic maintain the ones in close relation to their properties.

We recently had a meeting with Mr. Jones on a different issue and asked if he had made any progress in this matter and he indicated he had not. He did however say, he hoped to have this done by the spring so we can start when things start growing. I hope to have some type of agreement on the agenda for Board approval in the near future.

We are still waiting to hear from Mr. Jones regarding this matter.

COGENERATION PLANT – UGI recently did a film shoot at RHA's and the Reading Hospital's con-generation plants to introduce the positive nature of this type of project. It is our understanding they want to publicize the fact that gas is cheaper than electric and this is one way to capitalize on the current market in regards to gas.

As a result of this filming, UGI contacted us regarding their desire to take this program nationally. They have informed us they will be expanding their program regarding the co-generation.

I will keep you advised of any developments in this area.

RHODES AND EISENHOWER – A while ago, there were issues with the side walls at Rhodes and Eisenhower and repaired them. It has now come to our attention, the front and possibly the back walls are having the same issues which need to be addressed as soon as possible. It seems the brick veneer walls were either not installed correctly or over time have been slowly separating from the concrete structure, which may be related to age and weather.

Given this situation, we are having a structural engineer review and develop specifications for the work that needs to be done to correct this situation.

I will keep you advised of any developments in this area.

MEETINGS

- Work Force Investment Board.
- PAHRA Conference – Harrisburg, Pa.
- NAHRO Conference – Washington DC.

A motion was made by Mr. Colon and second by Mrs. Acosta to accept the report of the Executive Director. The motion was carried unanimously.

The following Resolution was read and considered:

RESOLUTION NO. 5668

RESOLUTION AUTHORIZING THE HIRING OF AN ACCOUNTANT 2.

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT Theresa A. Reustle be hired as an Accountant 2 at an annual salary of \$37,050.00 for a probationary period of 180 days in accordance to the rules and regulations of the State Civil Service Commission of Pennsylvania.

2. THIS Resolution shall be effective March 25, 2013.

Mr. Colon introduced and moved the adoption of the Resolution as read, and which motion was second by Mrs. Acosta and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Eligio C. Colon, Jr.
Mrs. Rebecca Acosta
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5669

RESOLUTION AUTHORIZING THE DISPOSITION
OF NON-EXPENDABLE EQUIPMENT.

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the following non-expendable equipment be removed from the inventory of the Reading Housing Authority in accordance with the Procurement and Disposition Policy:

<u>EISENHOWER MAINTENANCE</u>	<u>DECAL</u>	<u>COST</u>	<u>PURCHASED</u>
Paint Sprayer – Glidden S/N 205272	4481	\$1,027.28	10-1-1986
Snowblower – Deere S/N 110289	11296	\$1,339.95	10-1-1992
Truck Snow Plow-6-1/2' S/N 09102	13627	\$2,700.00	10-1-1996

<u>HUBERT MAINTENANCE</u>			
Copier – MITA S/N DR46555092	5397	\$1,495.00	10-1-1985

2. THAT the equipment to be scrapped is of no useful value to the Authority, and
3. THAT all useable parts have been salvaged, and
4. THAT the aggregate amount of \$6,562.23, which represents the original purchase price, will be removed from the books of record.

NOW, THEREFORE, BE IT RESOLVED AND IT HEREBY IS RESOLVED that this non-expendable equipment shall be removed from the Reading Housing Authority's inventory.

THIS Resolution shall be effective March 26, 2013.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. Colon and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Eligio C. Colon, Jr.
Mrs. Rebecca Acosta
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5670

RESOLUTION APPROVING THE FYE MARCH 31, 2014, CONTRACT W-66
OPERATING BUDGETS, SAID BUDGETS HAVING BEEN EXAMINED AND
APPROVED BY THE BOARD OF COMMISSIONERS.

WHEREAS, the Reading Housing Authority's Contract W-66 Operating Budgets' total expenditure, for Asset Management Projects (AMP's), 10-Glenside, 11-Hensler, 20-Oakbrook, 30-High Rises and 40-Scattered Sites, for the fiscal year beginning April 1, 2013, and ending March 31, 2014, shall not exceed the amount of \$10,220,964.00 have been reviewed by the Board of Commissioners of the Reading Housing Authority.

WHEREAS, the Board of Commissioners has determined, with regard to said budget, that;

- [1] All regulatory and statutory requirements have been met;
- [2] The PHA has sufficient operating reserves to meet the working capital needs of its developments;
- [3] Proposed budget expenditures are necessary in the efficient and economical operation of the housing authority for the purpose of serving low-income residents;
- [4] The budget indicates a source of funds adequate to cover all proposed expenditures;
- [5] The calculation of eligibility for Federal funding is in accordance with the provisions of the regulations;
- [6] All proposed rental charges and expenditures will be consistent with provisions of law;
- [7] The PHA/IHA will comply with the wage rate requirements under 24 CFR 968.110(e) and (f) or 24 CFR 905.120(c) and (d);
- [8] The PHA/IHA will comply with the requirements of access to records and audits under 24 CFR 968.110(I) or 24 CFR 905.120(g);
- [9] The PHA/IHA will comply with the requirements for the re-examination of family income and composition under 24 CFR 960.209, 990.115 and 905.315; and
- [10] The PHA/IHA will comply with the requirements for certification of Housing Manager and Assisted Housing Manager positions (24 CFR 967.304 and 967.305).

THEREFORE, the Operating Budgets for AMP's, Contract W-66 for the FYE March 31, 2014, are hereby approved.

THIS Resolution shall be effective April 1, 2013.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. Colon and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Eligio C. Colon, Jr.
Mrs. Rebecca Acosta
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following Resolution was read and considered:

RESOLUTION NO. 5671

RESOLUTION APPROVING AND AUTHORIZING
THE ADOPTION OF THE SYLVANIA HOMES OPERATING
BUDGET FOR FISCAL YEAR ENDING MARCH 31, 2014.

BE IT RESOLVED AND IT HEREBY IS RESOLVED by the Reading Housing Authority:

1. THAT the Sylvania Homes Operating Budget, in the amount of \$968,426.00 for the fiscal year ending March 31, 2014, is hereby approved and adopted.

2. THIS Resolution shall be effective April 1, 2013.

Mrs. Acosta introduced and moved the adoption of the Resolution as read, and which motion was second by Mr. Colon and upon roll call the Ayes and Nays were as follows:

Ayes: Mr. Eligio C. Colon, Jr.
Mrs. Rebecca Acosta
Mr. Steven E. Belinski

Nays: None

The Chairman thereupon declared the said motion carried and the said Resolution adopted.

The following charge-offs were presented for Glenside Homes, Oakbrook Homes, Hubert Apts., Rhodes Apts., Sylvania Homes and River Oak Apartments:

CHARGE-OFFS

13	Glenside Homes PA-9-1	\$ 18,300.26
7	Oakbrook Homes PA-9-3	9,145.50
1	Rhodes Apts. PA 9-6	40.03
1	Hubert Apts. PA 9-10	75.70
2	Sylvania Homes P-15	4,011.82
1	River Oak Apartments	2,146.68
25	Gross Charge-Offs	\$ 33,719.99

SUMMARY OF GROSS CHARGE OFFS

Current Dwelling Rent	\$12,359.61
Additional Charges	10,767.23
Excess Utilities	516.50
Retro Rent	<u>10,076.65</u>
	\$33,719.99

RECOVERIES

Glenside Homes PA-9-1	\$ 229.05
Oakbrook Homes PA-9-3	257.46
Franklin Tower PA 9-4	120.00
Kennedy Towers PA-9-5	122.19
Rhodes Apts. PA-9-6	219.70

Gross Recoveries \$ 948.40

CHARGE-OFFS NET OF RECOVERIES

\$ 32,771.59

11 Accounts Charged Off Due to Eviction \$ 14,223.59

Delinquent accounts with an amount of less than \$75.00, of tenants who decess or leave public housing and enter a nursing home or public health care facility are not to be sent to the collection agency.

All delinquent accounts of Federal Low-Income Housing, Sylvania Homes Middle-Income Housing and River Oak Market Rate Housing shall be collected in a manner that is consistent with the applicable Federal Rent Collection Policy.

A motion was made by Mr. Colon second by Mrs. Acosta to concur with the recommendation to write the potential uncollectible amount off the books. This motion was carried unanimously.

There being no further business to come before the Commissioners, a motion was made by Mr. Colon and second by Mrs. Acosta to adjourn the meeting. The motion was carried unanimously.

The next regular meeting of the Reading Housing Authority is scheduled to be held at William W. Willis Center for Administration, 400 Hancock Boulevard, Reading, Pennsylvania, on Tuesday, April 23, 2013.

Recording Secretary